COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

AUG 0 5 2005

In the Matter of:

APPLICATION OF KENTUCKY POWER COMPANY)	
FOR APPROVAL OF AN AMENDED COMPLIANCE)	
PLAN FOR PURPOSES OF RECOVERING)	CASE NO.
ADDITIONAL COSTS OF POLLUTION CONTROL)	2005-00068
FACILITIES AND TO AMEND ITS ENVIRONMENTAL	ر ک	
COST RECOVERY SURCHARGE TARIFF)	

Affidavit of Errol K. Wagner

Affiant, Errol K. Wagner, after first being duly sworn states and deposes as follows:

- 1. I am the Director of Regulatory Services for Kentucky Power Company ("KPCo" or "Company"). My business address is 101 A Enterprise Drive, Frankfort, Kentucky 40602.
- 2. I supervise and direct the Regulatory Services of the Company, which has the responsibility for rate and regulatory matters affecting KPCo's Kentucky jurisdiction. This includes the preparation of and coordination of the Company's exhibits and testimony in rate cases and any other formal filings before state and regulatory bodies.
- 3. In this proceeding the Company seeks approval of its Second Amended Environmental Compliance Plan and to amend its Environmental Cost Recovery Surcharge Tariff to recover certain environmental costs incurred pursuant to the FERC-approved Interconnection Agreement that governs the AEP System's generation pool.
- 4. At the formal hearing held in this matter on July 28, 2005, the Hearing Officer directed the Company to conduct a further search for documents that may present a written analysis or evaluation of the AEP System's NO_x compliance process. At my direction, that

search has been undertaken and two documents that the Company believes are responsive to the Commission's Hearing Officer's directive have been located.

- 5. The Company seeks confidential treatment for one of the two documents it has found because that document is a strategy and policy document discussing the effect of the company's NO_x compliance plan on AEP's "unregulated" generation fleet in Ohio and West Virginia. (The term "unregulated" refers to the fact that Ohio does not regulate generating facilities through its utility regulatory commission; these facilities are regulated in the sense that they are part of the FERC-approved Interconnection Agreement.)
- 6. I have personally confirmed through conversations with the author of the document at issue, that it contains information considered proprietary and confidential by the companies at issue and treated as proprietary and confidential by the AEP System generally. If this information were to be made public, it would give competitors of the System's Ohio-based companies an unfair competitive advantage.
- 7. Having made the appropriate inquiries, Kentucky Power believes that the information contained in the document at issue is proprietary and confidential that this document is entitled to confidential and proprietary treatment pursuant to 401 KAR 5:001 Section 7 and KRS 61.878(1)(c).

Further Affiant sayeth naught.

Engl M. Wogner

Errol K. Wagner

COMMONWEALTH OF KENTUCKY)	
)	SS
COUNTY OF FRANKLIN)	

The foregoing affidavit was signed and sworn to before me this 5th day of August, 2005 by Errol K. Wagner, a person known to me.

My commission expires:

April 7, 2007

Notary Public State at Large